Judge grants City of Wilmington's request for a stay on short-term rentals ordinance ruling

September 17, 2020

The City of Wilmington filed a motion in Superior Court asking Judge Harrell to enter a stay on the order he signed on Tuesday, September 16, which would repeal City Code Section 18-331 relating to whole house, short-term rentals in residential and historic districts. The Judge granted the City's motion for a stay, which is effective immediately and until the appellate process is complete. In the meantime, the City will continue to accept registration applications for homestays and whole house rentals in the same manner that as it has since the ordinance was initially adopted.

As noted in the City's previous statement, the City Council, in consultation with the City Attorney's office, will review the Judge's ruling and consider an appropriate way forward. Staff will request Council enter into a closed session to discuss the ongoing litigation as early as October 5.

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A signed copy of the Judge's order is attached to this statement. Initially posted on 9/17/2020 and updated on 9/21/2020.

STATE OF NORTH CAROLINA

JLINA

COUNTY OF NEW HANOVER

2020 SEP 18 A 10: 24

DAVID SCHROEDER and HANOVER CO., C. C. PEGGY SCHROEDER, BY

Plaintiffs

v.

CITY OF WILMINGTON, and CITY OF WILMINGTON BOARD OF ADJUSTMENT,

Defendants.

IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION FILE #: 19-CVS-4028

ORDER ON CITY'S MOTION TO STAY

THIS MATTER came before the undersigned Superior Court Judge in and for the County of New Hanover on the 17th day of September 2020 on Defendants' Motion to Stay pursuant to Rule 62 of the North Carolina Rules of Civil Procedure and the Court's inherent authority. The Court finds that a stay of the Court's September 15, 2020 order granting summary judgment in favor of Plaintiffs is appropriate. Because Plaintiffs benefit from a statutory stay of enforcement until final resolution of this matter, a stay of the summary judgment order will have no prejudicial effect on Plaintiffs.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the Court's September 15, 2020 order granting summary judgment in favor of Plaintiffs is stayed as to all parties other than the Plaintiffs until this matter is fully resolved on appeal.

This the 17th day of September, 2020.

R. Kent Harrell

Superior Court Judge Presiding

CLERK OF SUPERIOR COUNTY NEW HANOVER COUNTY NEW HANOVER COUNTY BY: Jeanne M. Heckart Deputy Clerk of Superior Court

CERTIFICATE OF SERVICE

I the undersigned do hereby certify that the attached and forgoing order was served on the following parties by depositing the same in a postage paid envelope in an official depository of the United States Postal Service addressed as follows:

W. Gray Smith Mason and Mason Counsel for Plaintiff 514 Princess Street Wilmington, NC 28401

Robert Hagemann Poyner Spruill, LLP Counsel for Defendant 301 Fayetteville Street, Suite 1900 Raleigh, N.C. 27601

This the 17th day of September, 2020.

Adam Griffin
Institute for Justice
Counsel for Plaintiff
901 North Glebe Road, Suite 900
Arlington, VA 22203

Meredith Everhart City of Wilmington Counsel for Defendant PO Box 1810 Wilmington, NC 28402-1810

Valerie Jordan

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